

# UTILITY CONSUMER REPRESENTATION FUND

## 2016 GRANT APPLICATION

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## UTILITY CONSUMER REPRESENTATION FUND GRANT ANNOUNCEMENT

**Goals:** The Utility Consumer Participation Board (“UCPB” or “Board”) will issue grants from the Utility Consumer Representation Fund (“UCRF” or “Fund”) pursuant to PA 304 of 1982, as amended, to nonprofit organizations or local units of government in this state to ensure equitable representation of the interests of residential ratepayers or classes of residential ratepayers in cases eligible under Act 304. These primarily include electricity and natural gas supply and cost recovery plan review proceedings (“PSCR Plan” and “GCR Plan” review cases) and corresponding reconciliation proceedings (“Reconciliation” cases) before the Michigan Public Service Commission. Other cases may qualify if eligibility under Act 304 can be established.

**Project Tasks:** These grants can be used to pay eligible expenses associated with representing residential ratepayer interests in Act 304 proceedings. Coordination of representation with the Attorney General, who also intervenes in Act 304 cases, is required. The Board encourages applicants to develop new and innovative approaches. Strategies should address the six issues of particular importance to residential ratepayers that were identified in the 1986 legislative review of Public Act 304.

**Funding:** The Governor’s Executive Recommendation for Fiscal Year 2016 requests \$750,000 to be appropriated for grants and administrative support. Up to \$486,000 would be available for grants. This amount is subject to the appropriation process. A final amount will not be established until the appropriation bill is passed by the Legislature and signed into law by the Governor.

**Timeline:** Applications for the grant application consideration at the August 24, 2015 meeting of the Board are due no later than **Thursday, July 30, 2015 at 4:00 p.m. to the address below**. Applications and a cover letter attesting to the truth and accuracy of the grant application, must be submitted by the deadline in one of the following manners:

- Electronically to the contact identified below. If delivered electronically to meet the deadline, five (5) paper copies (including 1 original signed copy of the attestation cover letter) of the application must be delivered by 4:00 p.m. the next business day to the same address.
- U.S. Mail or courier to address below – 1 original and 5 copies of the application. The five (5) copies may be delivered by 4:00 p.m. the next business day to the same address.
- Hand Deliver to address below – 1 original and 5 copies of the application. The five (5) copies may be delivered by 4:00 p.m. the next business day to the same address.

Proposals will be evaluated at the August 24, 2015 Utility Consumer Participation Board meeting. If all of the funds are not granted at the meeting scheduled August 24, 2015, UCRF grant applications and amendments to grants will continue to be accepted for consideration at regular or special meetings of the board until funding is no longer available or the fiscal year ends, whichever occurs first.

**Eligible Applicants:** Nonprofit organizations or local units of government in this state representing interests of residential ratepayers or classes of residential ratepayers in the service territory of the utility case for which funds are being sought. Eligibility requirements are described in the grant application and in PA 304, 1982 as amended, section 460.6m.

**Evaluation Criteria:** The six criteria and point system to be used by the Board in evaluating competitive grant applications are described in the grant application.

**Email Applications to:** Susan Weber at (517) 335-5968  
Email: [webers6@michigan.gov](mailto:webers6@michigan.gov) and cc: [wilsey@casair.net](mailto:wilsey@casair.net)

**Mail Applications to:** Susan Weber, Finance and Administrative Services  
Michigan Department of Licensing and Regulatory Affairs  
P. O. Box 30004  
Lansing, MI 48909

**Hand Deliver to:** Ottawa Building  
611 W. Ottawa, 4th Floor  
Lansing, MI 48933

## UTILITY CONSUMER REPRESENTATION FUND

### GRANT APPLICATION GENERAL INFORMATION

#### I. PROGRAM DESCRIPTION

##### BACKGROUND

Public Act 304 of 1982, as amended, prohibits regulated utilities from using automatic adjustment clauses to reflect changes in the cost of purchased gas, fuel or electricity. In their place the Act provides for establishment of gas and power supply cost recovery clauses in utility rate schedules, which require review and approval by the Michigan Public Service Commission (MPSC).

To recover increases in gas and power supply costs, an electric or gas utility must file a gas or electric cost recovery plan describing its expected sources and quantity of gas and electric power and the changes in cost anticipated over a twelve-month period. Contemporaneously with the filing of the plan, the utility must submit a five-year forecast of the gas and electric requirements of its customers, its anticipated sources of supply, and projections of cost.

Once the plan and the forecast have been filed, the MPSC conducts a proceeding called a gas or power supply and cost review to evaluate the reasonableness and prudence of the plan and to establish gas/power recovery factors. This is a contested case in which the MPSC staff, the Attorney General Special Litigation Division, and others may participate through legal counsel.

Not later than three months after the end of the twelve-month period covered by a utility's cost recovery plan, a cost reconciliation proceeding is convened. This is also a contested case before the MPSC. In a cost reconciliation proceeding, the MPSC considers any issue regarding the reasonableness and prudence of expenses for which customers were charged, if the issue could not have been considered adequately in a previously conducted supply and cost review. The MPSC will require a utility to refund to customers amounts in excess of what the Commission determines to have been reasonable and prudent actual expenses.

##### PURPOSE

Public Act 304 of 1982 also creates a Governor-appointed, five-member Utility Consumer Participation Board (UCPB) to administer the Michigan Utility Consumer Representation Fund established by Public Act 304 of 1982.

The UCPB will issue grants to qualified groups to ensure equitable representation of the interests of residential ratepayers or classes of residential ratepayers at annual supply and cost review proceedings and at cost reconciliation proceedings before the MPSC. These grants can be used to pay eligible expenses associated with representing residential ratepayer interests at the proceedings. Information on past cost review/reconciliation proceedings and current dockets is available at [www.michigan.gov](http://www.michigan.gov) under "E-Dockets".

##### FUNDING

Public Act 304 also creates a Utility Consumer Representation Fund (UCRF) from which grants are issued to groups representing the interests of residential ratepayers for participation in supply and cost review proceedings and in cost reconciliation proceedings.

The Utility Consumer Representation Fund is funded through contributions made by certain Michigan utility companies as prescribed by Act 304, as amended. Approximately half of the fund is reserved for the Attorney General for intervention in Act 304 cases.

Grants from the Utility Consumer Representation Fund will be used to sponsor participation by interveners in cost recovery proceedings involving several utilities. More than one intervener may be funded to participate in a given utility's proceedings if issues covered or testimony is sufficiently distinct so as to advance the scope of representation.

### MPSC PROCEDURAL STEPS FOR INTERVENORS

The procedural steps involved in a supply and cost review or in a cost reconciliation are very specific, and all grantees are expected to follow these steps.

1. Once a regulated utility files for either of these two proceedings (plan case or reconciliation case), the MPSC establishes a date and directs the utilities to give notice of hearing by publication and mailings.
2. The utilities must then publish hearing notices to customers and to municipalities in daily newspapers 10-15 days prior to the scheduled public hearings.
3. The hearing notice will specify the requirements for participation in the hearings.
4. After a utility files, the prepared testimony and exhibits submitted by the utility are available in the Commission offices as public information.
5. An intervener may file a petition with the MPSC to intervene up to five days prior to the first hearing.
6. This petition will be acted upon at a prehearing conference or at the initial hearing.

Rule II of the Commission's Rules of Practice and Procedures requires that:

"A petition to intervene shall set out clearly and concisely the facts supporting the petitioner's alleged right or interest, the grounds of the proposed intervention and the position of the petitioner in the proceeding, so as to fully and completely advise the parties and the Commission of the specific issues of fact or law to be raised or controverted."

Once a party's petition to intervene has been granted, an intervener may participate fully in the case. Among other things, the intervener is granted the right to present witnesses, cross examine witnesses, do discovery, and participate in oral arguments, present briefs and file exceptions to a proposal for decision. Any intervener, unless an individual is representing him or herself, must be represented by Michigan legal counsel.

## **II. ELIGIBLE APPLICANTS**

Michigan-based nonprofit organizations or local units of government are eligible to apply.

Applicants must represent the interests of residential utility customers.

An application which primarily benefits the applicant or a service provided or administered by the applicant will not be considered. An application will not be considered if one of the organization's primary interests is the welfare of a utility or its investors or employees, the welfare of businesses, or the welfare of corporate owned or operated farms. Ownership or securities by a nonprofit organization or its members will not disqualify an application.

Funds cannot be used in proceedings in which the utility is organized as a cooperative corporation.

## **III. ELIGIBLE EXPENDITURES**

The grant may be used only for the advancement of interests of residential customers in proposed actions approved by the Utility Consumer Participation Board, including costs for staff, legal personnel, expert witnesses, fringes, administrative costs, filing fees, supplies, postage, telephone, copying and other costs required to effectively represent residential utility consumers. Funds may be used for proceedings other than energy cost recovery proceedings if the issues to be addressed are eligible under Act 304 or other Michigan statute. The grantee must clearly establish permissibility of issues under Act 304 or other Michigan statute. A grant recipient will be required to coordinate its efforts with those of the Attorney General and other grantees to ensure effective and non-duplicative representation of consumer interests.

## **IV. INELIGIBLE EXPENDITURES**

Grant funds may not be used for the purchase or lease of equipment.

## **V. ELIGIBLE PROJECTS**

Those cases and proceedings described in Act 304 or otherwise provided for by statute.

## **VI. ADMINISTRATIVE COSTS**

To maximize the benefit to residential ratepayers, the Utility Consumer Participation Board is committed to the use of grant funds primarily for intervention in energy cost recovery proceedings. Recognizing that there are administrative costs for nonprofit organizations or local units of government who are granted awards, the Board may grant administrative costs which are reasonable and for the advancement of proposed actions approved by the Board. Applicants are required to provide a complete explanation of any request for funding of administrative costs. Such explanation should include the percentage of the costs and how they will be applied to the budget.

## **VII. EVALUATION CRITERIA**

Applications will be reviewed by members of the Utility Consumer Participation Board. The following criteria and point system will be used by the Board in evaluating grant applications.

	<u>POINTS</u>	<u>CRITERIA</u>
A.	20	Whether the approach presented for the proceedings is sound, feasible, clearly stated and supportable by evidence.
B.	15	The uniqueness of a particular position or approach when compared with the proposals.
C.	20	The ability of the applicant to effectively represent residential customers in the cost recovery proceedings based on (1) past representation in utility regulatory proceedings; and (2) experience and expertise of legal and technical staff selected to participate in the proceedings.
D.	15	The potential dollar impact of the proceeding on residential utility customers.
E.	15	The applicant's potential for continued participation in future energy cost recovery proceedings and for development of expertise related to such participation.
F.	15	The amount of funds requested and the reasonableness of proposed budget items.

## **VIII. ORAL PRESENTATION**

Applicants are required to make an oral presentation to the Board. Meeting times and locations will be scheduled with each applicant after the deadline for applications.

## **IX. AWARD RIGHTS**

The Board reserves the right to award any part or portion of a grant proposal by utility, type of proceeding or other reasonable method which best serves the interests of residential ratepayers. Grant applicants are requested to prioritize issues to be raised before the MPSC in order of (1) economic impact on residential ratepayers; and (2) likelihood of success, based on precedent or other appropriate analysis. A specific dollar amount should be attached to each prioritized item. Such information is useful to the Board in view of limited financial resources and proscriptions inherent in Public Act 304 of 1982, as amended.

<p style="text-align: center;"><b>UTILITY CONSUMER REPRESENTATION FUND GRANT APPLICATION TERMS AND CONDITIONS</b></p>
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**I. PAYMENT SCHEDULE**

Progress payments up to a total of 85% of the total authorized budget may be made upon submission of a grantee request on forms provided by the grantor indicating grant funds received to date, project expenditures to date (supported with computer printout of accounts, general ledger sheets, balance sheets, etc.), and objectives completed to date. Backup documentation such as computer printouts of accounts, ledger sheets, check copies, etc. shall be maintained for audit purposes in order to comply with this Agreement. The expenditure of state funds shall be reported by line item and compared to the approved budget. The payment of the final 15% of the grant amount shall be made only after the board and the grant administrator have received and approved the final report. The final payment is also contingent upon the submission of a final invoice that includes expenditures of grant funds reported by line item and compared to the approved Budget.

**II. ACCOUNTING AND RECORDS**

The Grantee shall adhere to the Generally Accepted Accounting Principles and shall maintain records which will allow, at a minimum, for the comparison of actual outlays with budgeted amounts. The Grantee's overall financial management system must ensure effective control over and accountability for all funds received. Accounting records must be supported by source documentation including, but not limited to, balance sheets, general ledgers, time sheets and invoices. The expenditure of state funds shall be reported by line item and compared to the Budget. Administrative costs budgeted at less than 1% of the entire grant budget will not require documentation but will require initial justification (See Section VI under General Information).

The Grantee shall retain all financial records, supporting documents, statistical records and all other records relating to the grant for a period of seven (7) years or greater as provided by law following creation of the records or documents.

**III. REPORTING REQUIREMENTS**

The Grantee will be required to submit quarterly reports, within 30 days of the end of each quarter, and a final report, within 30 days of the end of the grant period. The reports will include summary information and financial statements as required by the Board. In addition, the reports should include copies of all documents filed by the Grantee in energy cost recovery proceedings and full disclosure of settlement agreements. Additional reports and attendance at Board meetings as deemed necessary by the Board may be required of the Grantee.

**IV. DISCLOSURE**

All information in a grant application, grant agreement or reports filed with the Board is subject to disclosure under Public Act 442 of 1976, known as the "Freedom of Information Act."

## **V. PERSONNEL**

The Board reserves the right to interview key personnel assigned by the Grantee to this project and to recommend reassignment of personnel deemed unsatisfactory by the Board.

## **VI. CONDUCT AND STANDARD OF WORK**

Unless otherwise provided, the Grantee will be required to perform all tasks with due diligence. The Board will determine whether or not the Grantee has performed with due diligence. The Board may issue written or oral instructions to fill in details in the Statement of Work described in the grant. Any instructions that affect the scope of work, price, period of performance or any provision of the grant must be in accordance with specific provisions of the grant. If the Grantee is unable to litigate any specific issues authorized, the Board must be notified of that decision within fifteen (15) days by the Grantee. The Grantee agrees to perform the services of the grant in conformance with high professional standards.

## **VII. CHANGES**

The Board may make changes within the general scope of the grant at any time by written order. If such a change causes an increase or decrease in the cost of, or time required for, the performance of any part of the work under the grant, the grant will be modified in writing accordingly. Any claim by the Grantee for adjustment under this clause must be requested within thirty (30) days from the date of receipt by the Grantee of the notification of change; provided, however, that the Board, if it decides that the facts justify such action, receives and acts upon any such claim at any time prior to final payment under this grant. Failure to agree to any adjustment will be a dispute concerning a question of fact within the meaning of Section X below entitled "Disputes." However, nothing in this paragraph shall excuse the Grantee from proceeding with the grant as changed.

The grantee shall advise the Board of any Proposal for Decision (PFD) issued by an Administrative Law Judge (ALJ) that is adverse to the objective of the grant. Board approval shall be required to appeal any Commission order.

The Grantee must obtain prior written approval from the Board for grant changes including, but not limited to:

- A. Changes in the grant activities as outlined in the grantee's proposal,
- B. Any change in the amount of administrative costs or the Rate/Percentage used to calculate the cost,
- C. Line item changes or the accumulation of line item changes in the budget equal to or greater than 5% of any one line item amount; provided the total grant amount is not exceeded.
- D. Changes in personnel or organizations identified in the grantee's budget.

The grantee may request an extension to the grant period upon submission of a written request to the Grant Administrator justifying the need. The Grant Administrator may approve or modify the extension request or present the extension request at the next Board meeting. The Grant Administrator will notify the Board of the extension request as well as the action taken on the extension request.



## **VIII. CANCELLATION**

The State may terminate this Agreement without further liability or penalty to the State, its departments, divisions, agencies, offices, commissions, officers, agents and employees for any of the following reasons:

### **A. Termination for Cause**

The State may terminate this Grant for cause, in whole or in part, if Grantee, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the **Termination** State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Grant will not be construed to mean that other breaches are not material.

If the State terminates this Grant under this Section, the State will issue a termination notice specifying whether Grantee must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Grantee was not in breach of the Grant, the termination will be deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Subsection B, Termination for Convenience.

The State will only pay for amounts due to Grantee for Grant Activities accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Grantee for the State's reasonable costs in terminating this Grant. The Grantee must pay all reasonable costs incurred by the State in terminating this Grant for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Grant Activities from other sources.

### **B. Termination for Convenience**

The State may immediately terminate this Grant in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Grantee must: (a) cease performance of the Grant Activities immediately, or (b) continue to perform the Grant Activities in accordance with Section 25, Transition Responsibilities. If the State terminates this Grant for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities.

## **IX. DISPUTES**

Except as otherwise provided for in the grant, disputes concerning a question of fact arising under the grant which are not disposed of by agreement will be decided by the Board who will issue its decision in writing to the Grantee. The decision of the Board will be final and conclusive unless, within thirty (30) days from the date of receipt of such copy, the Grantee mails or otherwise furnishes to the Board a

written appeal. Pending final decision of disputes, the Grantee must proceed diligently with the performance of the grant in accordance with the Board's decision.

## **X. OFFICIALS NOT TO BENEFIT**

No member of the Legislature or Judiciary of the State of Michigan or any individual employed by the State of Michigan will be permitted to share in this grant or any benefit that arises from the Grant.

## **XI. ASSIGNMENT**

Grantee shall not have the right to assign the Agreement, or to assign or delegate any of its duties or obligations under the Agreement, to any other party (whether by operation of law or otherwise), without the prior written consent of the Grantor. Any purported assignment in violation of this section shall be null and void.

The Grantee warrants that he/she has not employed or retained any company or person, other than a bona fide employee working solely for the Grantee, to solicit or secure a grant, and that he/she has not paid or agreed to pay any company or person, other than a bona fide employee working solely for the Grantee, any fee, commission, percentage, brokerage fee, gift, or other consideration contingent upon or resulting from the award to making of a grant. For breach or violation of this warranty, the Board will have the right to annul the grant without liability or, in its discretion, to deduct from the grant price or consideration the full amount of such commission, percentage, brokerage or contingent fees.

## **XII. INDEPENDENT CONTRACTOR RELATIONSHIP**

No agent, employee, or servant of Grantee or any of its Subcontractors shall be or shall be deemed to be an employee, agent or servant of the State for any reason. Grantee will be solely and entirely responsible for its acts and the acts of its agents, employees, servants and subcontractors during the performance of the Agreement.

### **XIII. GRATUITIES**

The Board may, by written notice to the Grantee, terminate the right of the Grantee to proceed under the grant if it is found, after notice and hearing, by the Board or its duly authorized representative that gratuities in the form of entertainment, gifts or otherwise were offered or given by the Grantee, or any agent or representative of the Grantee, to any Board member, officer or employee of the state with a view toward securing a grant or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performing of such grant; provided that the existence of the facts upon which the Board or its duly authorized representative makes such findings shall be in issue and may be reviewed in any competent court.

In the event the grant is canceled as provided in Paragraph VIII above, the state will be entitled to pursue the same remedies against the Grantee as it could pursue in the event of a breach of grant by the Grantee and, as a penalty, in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount, as determined by the Board or its duly authorized representative, which will be not less than three (3), nor more than ten (10), times the costs incurred by the Grantee in providing any such gratuities to any such officer or employee.

The rights and remedies of the state provided in this paragraph will not be exclusive and are in addition to any other rights and remedies provided by law or under the grant.

### **XIV. NONDISCRIMINATION**

Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, et seq., and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, et seq., Grantee and its sub grantees agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or mental or physical disability. Breach of this covenant is a material breach of this Grant.

### **XV. SHARE-IN-SAVINGS**

The Grantor expects to share in any cost savings realized by the Grantee. Therefore, final Grantee reimbursement will be based on actual expenditures.

### **XVI. INDEMNIFICATION**

Grantee must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Grantee (or any of Grantee's employees, agents, sub grantees, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Grant; (b) any infringement, misappropriation, or other violation of any intellectual property right or other right of any third party; (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Grantee (or any of Grantee's employees, agents, sub grantees, or by anyone else for whose acts any of them may be liable); and (d)

any acts or omissions of Grantee (or any of Grantee's employees, agents, sub grantees, or by anyone else for whose acts any of them may be liable).

The State will notify Grantee in writing if indemnification is sought; however, failure to do so will not relieve Grantee, except to the extent that Grantee is materially prejudiced. Grantee must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.

The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Grantee will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

## **XVII. LIABILITY**

The State is not liable for any costs incurred by the Grantee before the start date or after the end date of this Agreement. Liability of the State is limited to the terms and conditions of this Agreement and the grant amount.

## **XVIII. FEES AND OTHER SOURCES OF FUNDING**

The Grantee will not be allowed to seek or obtain funding through fees or charges to any client receiving services for which the state reimburses the Grantee under the grant. The Grantee will be required to guarantee that any claims made to the state under the grant shall not be financed by any source other than the state under the terms of the grant. If funding is received through any other source, the Grantee must delete from billings, or immediately refund to the state, the total amount representing such duplication of funding.

## **XIX. AUDIT**

The Grantee agrees that the State may, upon 24-hour notice, perform an audit and/or monitoring review at Grantee's location(s) to determine if the Grantee is complying with the requirements of the Agreement. The Grantee agrees to cooperate with the State during the audit and/or monitoring review and produce all records and documentation that verifies compliance with the Agreement requirements. The Grantor may require the completion of an audit before final payment.

If the Grantee is a governmental or non-profit organization and expends the minimum level specified in OMB Uniform Guidance (\$750,000 as of December 26, 2013) or more in total federal funds in its fiscal year, then Grantee is required to submit an Audit Report to the Federal Audit Clearinghouse (FAC) as required in 200.36.

## **XX. COMPETITIVE BIDDING**

The Grantee agrees that all procurement transactions involving the use of state funds shall be conducted in a manner that provides maximum open and free competition. When competitive selection is not feasible or practical, the Grantee agrees to obtain the written approval of the Grant Administrator before making a sole source selection. Sole source contracts should be negotiated to the extent that such negotiation is possible.

## **XXI. INTELLECTUAL PROPERTY**

### **License to Grantor**

Grantee grants to the Grantor a non-exclusive, royalty-free, site-wide, irrevocable, transferable license to use the Deliverables and related documentation according to the terms and conditions of this Agreement. For the purposes of this license, "site-wide" includes any State of Michigan office regardless of its physical location.

The Grantor may modify the Deliverable and may combine the Deliverable with other programs or materials to form a derivative work. The Grantor will own and hold all copyright, trademarks, patent and other intellectual property rights in any derivative work, excluding any rights or interest in Deliverable other than those granted in this Agreement.

The Grantor may copy each Deliverable to multiple hard drives or networks unless otherwise agreed by the parties.

The Grantor will make and maintain no more than one archival copy of each Deliverable, and each copy will contain all legends and notices and will be subject to the same conditions and restrictions as the original. The Grantor may also make copies of the Deliverable in the course of routine backups for the purpose of recovery of contents.

## **XXII. UNFAIR LABOR PRACTICES**

Under MCL 423.324, the State may void any Grant with a Grantee or sub grantee who appears on the Unfair Labor Practice register compiled under MCL 423.322.

## **XXIII. CERTIFICATION REGARDING DEBARMENT**

The Grantee certifies, by signature to this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Agreement by any federal or State department or agency. If the Grantee is unable to certify to any portion of this statement, the Grantee shall attach an explanation to this Agreement.

<p style="text-align: center;"><b>UTILITY CONSUMER REPRESENTATION FUND GRANT APPLICATION INFORMATION REQUIRED FROM APPLICANTS</b></p>
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Grant proposals must be submitted in the format outlined below:

**I. IDENTIFICATION OF ORGANIZATION**

Applicants who are not current grantees through this program are required to submit all information listed below. Current Grantees are required only to submit amendments to information listed in A and B; information in C is not required from current Grantees.

A. Provide the following information:

1. The date of creation of the group.
2. The stated philosophy, purposes and major activities of the group.
3. Description of the group's membership.
4. Number of active, dues-paying group members within Michigan.
5. Annual budget and sources of funding since 1984.
6. Copy of applicant's most recent financial audit or most recent financial statement properly endorsed by the executive officers.

B. If a nonprofit organization, attach a copy of the articles of incorporation, bylaws, or similar chartering documents and indicate date and place of filing.

C. Describe past and current participation in utility cost recovery proceedings or similar types of rate making intervention or litigation. List each proceeding by title and docket number, beginning with the most recent one. For no more than four cases, briefly describe the manner and extent of your participation and major issues you addressed.

**II. AUTHORIZED NEGOTIATORS**

Include the names and phone numbers of personnel authorized to negotiate the proposed grant agreement with the state.

**III. APPLICANT'S PROPOSED WORK PLAN**

A. On the attached form, "Summary of Proposed Participation in Proceedings," indicate with an "X" those proceedings in which you propose to participate if your application is funded. You may propose intervention in any one or more of the cases, with each proposal being given equal consideration by the Board. For each utility, indicate the total funds you are requesting.

You may request funds for participation in proceedings other than energy cost recovery proceedings if the issues to be presented will have an impact on Act 304 cases or issues.

- B. Describe in detail the participation planned by your group for each utility company in each set of energy cost recovery proceedings checked in A. above.

The relationship between Act 304 cases and issues and any planned intervention before the FERC or other proposed intervention must be clearly explained separately.

For each set of proceedings specify the following:

1. Any unique method for obtaining guidance from the Board in cases that have undetermined issues at this date due to the lateness of their filing or otherwise.
  2. Relevant cost issues you intend to address in each case and which you feel are most important.
  3. Any unique or innovative approaches you intend to use.
  4. Evidence or testimony you will submit.
  5. The extent of your planned participation: discovery, cross examination of direct testimony, direct testimony, written briefs, etc.
- C. Describe how you plan to coordinate participation with the Special Litigation Division of the Attorney General.
- D. Explain, in detail, how the legal/technical staff will communicate with the residential constituencies they are representing.
- E. If participation in multiple projects is being proposed, or if stages or phases of participation are to be funded separately, a priority ranking of each component should be made. Explain criteria used to establish the priority ranking.

#### **IV. PERSONNEL**

Include a resume for each legal and technical person expected to perform activities under this grant proposal. Explain relevant training and experience for each, why specific personnel were assigned to each case and how each case will be supervised.

#### **V. BUDGET**

Complete one attached "Proposed Budget" form for each set of proceedings in which you will participate. You should have a separate page for each utility. If you intend to intervene before the FERC, complete a separate "Proposed Budget" form for each case.

The hourly rate shown for legal personnel should include all costs for legal services, such as salaries, rent, copying, postage and equipment, regardless of whether the personnel are on the staff of the applicant organization or are contracted.

Transportation and per diem expenses for expert witnesses should be included in the hourly rate shown.

Explain any request for funding of administrative costs in narrative form. Include sufficient detail to fully support each expenditure.

## **VI. SUMMARY**

Complete "Project Summary", as an overview of the grant application. Responses to each question should be responded to using the guidelines provided within each question. All detail supporting each question should be included in the complete grant application and may be referenced in your responses.



<p style="text-align: center;"><b>UTILITY CONSUMER REPRESENTATION FUND GRANT APPLICATION PROJECT SUMMARY</b></p>
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1. Provide a brief summary (one paragraph) of your proposed work plan.
2. Explain the uniqueness with your position or approach to carrying out the activities outlined in the work plan (one paragraph).
3. List of expert witnesses (actual names) to be used in carrying out activities outlined in the work plan.
4. Briefly describe how you plan to coordinate participation with the Special Litigation Division of the Attorney General (one paragraph)
5. Briefly explain the evidence or testimony you will submit (one paragraph)
6. Provide your past (one year) successful representation in utility regulatory proceedings.
7. What is the potential dollar impact for consumers as a result of the activities identified in your work plan?
8. What is your potential for continued participation in future energy cost recovery proceedings and for development of expertise related to such participation? (one paragraph)
9. Total project cost: \$ \_\_\_\_\_
10. Information Concerning Grantee and Grant Proposal:  
  
(a) Do you intend to participate in administrative and judicial proceedings under MCL 460.6h, 6i, 6j, 6k which directly affect the energy costs paid by Michigan energy utilities?

(b) Please identify the proceeding(s) you intend to participate in.

(c) Please identify the issue(s) you intend to raise in the above identified proceedings.

(d) Explain how the issue(s) you propose to raise in the proceeding(s) identified above is within the scope of MCL 460.6h, 6i, 6j, 6k and 6m.

(e) Has the issue(s) identified above been previously litigated before the Michigan Public Service Commission? Please explain.

(f) Will you represent the interests of residential utility consumers in the above identified proceeding(s)?

(g) Do you represent residential customers in the service territory of the utility in the proceeding(s) identified above?

(h) Has your organization previously participated or intervened in a Michigan Public Service Commission proceeding?

(i) Have you ever been granted intervener status in a proceeding before the Michigan Public Service Commission?

11. Are you a nonprofit organization or local unit of government in the State of Michigan?

12. Please disclose any existing or potential conflicts of interest that your organization may have in the proceeding(s) identified above (i.e. financial interest in the outcome of the proceeding(s) or financial interest with a utility or conflict with restrictions in 460.6m(12)).

# UTILITY CONSUMER REPRESENTATION FUND GRANT APPLICATION

## SUMMARY OF PROPOSED PARTICIPATION IN PROCEEDINGS

### PART A

#### Type of Proceeding:

PSCR PLAN

GCR PLAN

PSCR  
RECONCILIATION

GCR  
RECONCILIATION

APPEAL (Specify)

\_\_\_\_\_

\_\_\_\_\_

### PART B

#### Funds Requested

UTILITY						
Alpena Power	Detroit Edison Co.	Michigan Gas Utilities	Northern States Power-Wisconsin	Peninsular Gas Co.	Upper Peninsula Power	Wisconsin Public Service
\$	\$	\$	\$	\$	\$	\$

Please round to nearest dollar

### INSTRUCTIONS:

PART A - Mark the boxes of the proceedings for which intervention is proposed with an "X"

PART B - Enter the total amount of funds requested for each utility

**KEY TO ABBREVIATIONS:** **PSCR** - Power Supply Cost Recovery; **GCR** - Gas Cost Recovery

# UTILITY CONSUMER REPRESENTATION FUND GRANT APPLICATION

## PROPOSED BUDGET (One budget sheet per case)

(Name of Utility or Proceeding)

TYPE OF CASE:

☐ GCR Plan

☐ PSCR Plan

☐ GCR Recon.

☐ PSCR  
Recon.

☐ Other-  
Specify

9

9

9

9

9

YEAR:

(If Fiscal, specify period)

	Col. 1	Col. 2	Col. 3	Col. 4	Col. 5 (Col. 3 + 4)
BUDGET CATEGORY BY LINE ITEM	HOURLY RATE	BUDGETED HOURS	FUNDS REQUESTED	FUNDS OTHER SOURCES	TOTAL FUNDS BUDGETED
<b>1. ADMINISTRATIVE COSTS</b> Salaries & Fringes (List Name & Position)					
<b>2. Supplies, Postage, Telephone, copying:</b>					
<b>3. Other (Specify)</b>					
<b>TOTAL ADMINISTRATIVE</b>					
<b>INTERVENTION COSTS</b>					
<b>4. Legal Personnel:</b> (List Names)					
<b>5. Expert Witnesses:</b> (List Names)					
<b>6. Filing Fees</b>					
<b>7. Other (Specify):</b>					
<b>TOTAL INTERVENTION</b>					
<b>GRAND TOTAL COSTS</b>					